

ELECTRONICALLY FILED  
February 13, 2007

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10 UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEVADA

In re: USA COMMERCIAL MORTGAGE COMPANY, Debtor.	) BK-S-06-10725-LBR Chapter 11
In re: USA CAPITAL REALTY ADVISORS, LLC, Debtor.	) BK-S-06-10726-LBR Chapter 11
In re: USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, Debtor.	) BK-S-06-10727-LBR Chapter 11
In re: USA CAPITAL FIRST TRUST DEED FUND, LLC, Debtor.	) BK-S-06-10728-LBR Chapter 11
In re: USA SECURITIES, LLC, Debtor.	) BK-S-06-10729-LBR Chapter 11
Affects	)
<input type="checkbox"/> All Debtors	) <u>Hearing</u>
<input type="checkbox"/> USA Commercial Mortgage Co.	) Date: March 15, 2007
<input type="checkbox"/> USA Securities, LLC	) Time: 9:30 a.m.
<input type="checkbox"/> USA Capital Realty Advisors, LLC	) Place: Courtroom #1
<input type="checkbox"/> USA Capital Diversified Trust Deed	)
<input checked="" type="checkbox"/> USA First Trust Deed Fund, LLC	)

23 NOTICE OF FILING AND HEARING RE SIXTH OMNIBUS OBJECTION OF THE OFFICIAL  
 24 COMMITTEE OF EQUITY SECURITY HOLDERS OF USA CAPITAL FIRST TRUST DEED  
 FUND, LLC – CLAIMS BASED ON PREPETITION EQUITY SECURITY INTERESTS OF USA  
 25 CAPITAL FIRST TRUST DEED FUND, LLC FILED BY GERALDINE M PRICE; RUBY  
 SIMON & EVIE SIMON; JAMES & MAUDRENE MCCONNELL, TRUSTEES; JAMES M.  
 26 MCCONNELL IRA; JAMES W. SHAW IRA; AND THE COXEY LIVING TRUST 12-3-98;  
 27 (AFFECTS DEBTOR USA CAPITAL FIRST TRUST DEED FUND, LLC)  
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1     **TO: GERALDINE M. PRICE**  
 2         **JAMES M. MCCONNELL (on account of the claim filed by JAMES M.**  
 3             **MCCONNELL IRA)**  
 4         **JAMES M. & MAUDRENE F. MCCONNELL (on account of the claim filed by**  
 5             **JAMES & MAUDRENE MCCONNELL, TRUSTEES)**  
 6         **JAMES W. SHAW (on account of the claim filed by JAMES W. SHAW IRA)**  
 7         **KENNETH D. COXEY (on account of the claim filed by THE COXEY LIVING**  
 8             **TRUST 12-3-98)**  
 9         **RUBIE SIMON & EVIE SIMON**  
 10         **USA CAPITAL FIRST TRUST DEED FUND, LLC**  
 11         **U.S. TRUSTEE**  
 12         **ALL PARTIES IN INTEREST**

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 14             **PLEASE TAKE NOTICE that on February 13, 2007, the "Sixth Omnibus**  
 15         **Objection of the Official Committee of Equity Security Holders of USA Capital First Trust**  
 16         **Deed Fund, LLC – Claims Based on Prepetition Equity Security Interests of USA Capital**  
 17         **First Trust Deed Fund, LLC" (the "Objection") was filed by the Official Committee of Equity**  
 18         **Security Holders of USA Capital First Trust Deed Fund, LLC (the "FTDF Committee"). The**  
 19         **Objection has been filed to reconcile various claims made against FTDF with the books and**  
 20         **records of the FTDF. You should read it. You filed a proof of claim that makes a claim**  
 21         **that is different than your interest shown in the books and records of FTDF.**

22             Pursuant to the Objection, the FTDF Committee objects to the proofs of claim  
 23         referenced therein (the "Claims on Equity Interests") on the grounds that they do not reflect  
 24         "claims" against USA Capital First Trust Deed Fund, LLC ( the "FTDF") as that term is defined in  
 25         Bankruptcy Code section 101(5). Rather, the Claims on Equity Interests reflect "equity security"  
 26         interests based on the membership interests in the FTDF. Accordingly, the FTDF Committee's  
 27         position is that the Claims on Equity Interests should be reclassified as proofs of interest in the  
 28         amounts set forth on Exhibit "1" to the Objection. Furthermore, the Claims on Equity Interests  
 should be disallowed to the extent they assert amounts in excess or other than those reflected in the  
 Debtors' books and records as the amount of a particular member of the FTDF's ("FTDF Member")  
 interest in the FTDF as of the Petition Date, which amounts are set forth on Exhibit "1" to the  
 Objection. By the Objection, the FTDF Committee does not seek to prejudice the rights of any  
 FTDF Member who filed a Claim on Equity Interest (the "Claimants") to recover from the FTDF  
 estate on account of his or her membership interest in the FTDF but simply seeks the entry of a

1 Court order that would (a) properly classify the Claims on Equity Interests that have been filed by  
 2 the Claimants as proofs of interest in the amount of each Claimant's respective equity interest in  
 3 the FTDF and (b) disallow the Claims on Equity Interests to the extent that they assert amounts in  
 4 addition to or other than each Claimant's equity interest in the FTDF as of the Petition Date or are  
 5 duplicative of other Claims on Equity Interests. This will effectuate a pro rata distribution to all  
 6 similarly situated equity holders. The Claims on Equity Interests to which this notice relates and  
 7 the requested treatment of such claims by the FTDF Committee are as follows:

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9	Claim No.	Claimant	Account ID #	Date of Claim	Claim Amount	Amount of Equity Interest Per Debtors' Records	Proposed Disposition
12	111	Geraldine M. Price	590	October 21, 2006	\$32,025.00 plus interest	\$30,000.00	Reclassify as proof of interest in the amount of \$30,000.00. Disallow claim to the extent it exceeds \$30,000.00 because amount asserted in excess of \$30,000.00 is on account of anticipated postpetition dividends..

Claim No.	Claimant	Account ID #	Date of Claim	Claim Amount	Amount of Equity Interest Per Debtors' Records	Proposed Disposition
114	Ruby Simon & Evie Simon	2538	September 12, 2006	\$46,804.96	\$45,004.50	Reclassify as proof of interest in the amount of \$45,004.50. Disallow claim to the extent it exceeds \$45,004.50 because amount claimed in excess of \$45,004.50 reflects book value as opposed to the amount of the Claimant's equity interest in the FTDF as of the Petition Date.
134	James & Maudrene McConnell Trustees	6184	December 3, 2006	\$29,999.03	\$650,000.00	Disallow claim in full as amount asserted is solely on account of anticipated postpetition dividends.
135	James M. McConnell IRA	10749	December 2, 2006	\$8,695.41	\$188,406.50	Disallow claim in full as amount asserted is solely on account of anticipated postpetition dividends.

Claim No.	Claimant	Account ID #	Date of Claim	Claim Amount	Amount of Equity Interest Per Debtors' Records	Proposed Disposition
138	James W. Shaw IRA	6071	December 12, 2006	\$84,662.00	\$80,000.00	Reclassify as proof of interest in the amount of \$80,000.00. Disallow claim to the extent it exceeds \$80,000.00 because amount asserted in excess of \$80,000.00 is on account of anticipated postpetition dividends.
148	The Coxey Living Trust 12- 3-98	6384	November 10, 2006	\$101,260.86	\$100,000.00	Reclassify as proof of interest in the amount of \$100,000.00. Disallow claim to the extent it exceeds \$100,000.00 because amount asserted in excess of \$100,000.00 is on account of anticipated postpetition dividends.

PLEASE TAKE FURTHER NOTICE that the hearing on the Objection will be held before the Honorable Linda B. Riegle, United States Bankruptcy Judge, in the Foley Federal Building, 300 Las Vegas Boulevard South, Courtroom 1, Las Vegas, Nevada, **on March 15, 2007, at the hour of 9:30 a.m.**

PLEASE TAKE FURTHER NOTICE that this hearing may be continued from time to time without further notice except for the announcement of any adjourned dates and time at the above noticed hearing or any adjournment thereof.

1           **PLEASE TAKE FURTHER NOTICE** that any response to the Objection must  
2 be filed by **March 8, 2007** pursuant to Local Rule 3007(b), which states:

3           If an objection to a claim is opposed, a written response must be  
4 filed and served on the objecting party at least 5 business days  
5 before the scheduled hearing. A response is deemed sufficient if it  
6 states that written documentation in support of the proof of claim  
7 has already been provided to the objecting party and that the  
documentation will be provided at any evidentiary hearing or trial  
on the matter.

8           If you object to the relief requested, you *must* file a **WRITTEN** response to this  
9 pleading with the court. You *must* also serve your written response on the person who sent you  
10 this notice.

11           If you do not file a written response with the court, or if you do not serve your  
12 written response on the person who sent you this notice, then:

- 13           !       The court may *refuse to allow you to speak* at the scheduled hearing; and  
14           !       The court may *rule against you* without formally calling the matter at the  
15 hearing.

16           DATED: February 13, 2007

17           \_\_\_\_\_  
*/s/ Andrew M. Parlen*

18           Andrew M. Parlen, Esq.  
19           Stutman, Treister & Glatt  
20           Professional Corporation  
21           Counsel to the Official Committee of Equity  
22           Security Holders of USA Capital First Trust  
23           Deed Fund, LLC